

ORIGIN/ACTION

DEPARTMENT OF STATE

**AIRGRAM**

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A-352 NO. **CONFIDENTIAL** 1962 SEP 10 11 2 00  
TO : DEPARTMENT OF STATE  
INFO : LONDON, COMUS/J, CINCUSARPAC, CINCACFLT, CINCUSARPAC, CINCACAF, CINCUSARPAC, CINCACAF

Department Pass: CNO, SA, COFSAF, SECDEF, JSC, CIA  
FROM : AmEmbassy TOKYO  
SUBJECT : JOINT WEEKA 36  
DATE: September 7, 1962

OSD for JSC-1  
OSD for SEC DEF-1  
NAVY for CNO-1  
AIR for COFSAF-1  
ARMY for SA-1

1. 41st Diet Concludes Quiet Session
2. JSP Central Committee Meeting
3. Japan-Korean Negotiations
4. U-2 Incident
5. Cholera Epidemic Restricts 7th Fleet Movements into Japanese Ports
6. MSDF Aircraft Accident
7. New Soviet Naval Attache Arrives

POLITICAL

1. 41st Diet Concludes Quiet Session

Extraordinary Diet session ended on schedule September 2 having attained GOJ priority objective of passing Industrial Investment Special Account Revision Bill (GARIOA implementing legislation) without violent clashes with opposition. Although press approved normal parliamentary conduct of session, it deplored fact that first third of session spent allocating committee chairmanships and that Diet failed to come to grips with other key items of legislation such as ratification of ILO Convention 87 and bill to improve shipbuilding industry, and criticized Prime Minister IKEDA for not explaining why post-election Cabinet re-shuffle was necessary.

Legislative box score actually more impressive than appears at first glance. Of 18 GOJ bills introduced, 11 were passed. Major items passed

FORM 4-62 DS-323

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See last page.

Contents and Classification Approved by:

Clearances:

FILED  
SEP 21 1962

CONFIDENTIAL

- 2 -

by Diet include, in addition IISA, controversial improvement in Diet members retirement benefits (lowering age to 50 and increasing fund); increased authority allocate aid for severe disasters; provision for rehabilitation of public school facilities damaged in natural disasters; amendment to Fishery Act, increasing local government authority to regulate fishing grounds; broadened operation for fishery cooperatives and extension authorized working days for fishermen; establishment mutual relief association for local employees; and simplification of handling of public grievances over government administration in police, taxation, and other matters. (UNCLASSIFIED)

Comment: Conservatives not only achieved minimum objective of enacting IISA but passed social welfare legislation that strengthens somewhat their base of political support. In this sense session represents another accomplishment for PriMin IKEDA's low posture. Behind scenes tacit cooperation from Socialists reflects continued willingness of left mainstream to respond to low posture with moderation, but does not necessarily lessen likelihood of all-out extra-parliamentary opposition to Japan-ROK settlement, if one is concluded (Item 2). (LIMITED OFFICIAL USE)

2. JSP Central Committee Meeting

Japan Socialist Party (JSP) Central Executive Committee meeting held in Tokyo August 30-31 was relatively quiet with undertone of discontent among anti-mainstream elements. In move generally hailed by press as indication of growing JSP moderation, Socialists decided tone down opposition for oppositions sake focusing on increasing strength at polls in order make possible Socialist assumption reins of government. CEC confirmed support for 352 prefectural candidates and 70 candidates from different cities in next year's local elections. At same time, Central Committee also approved mass opposition to Japan-ROK talks (scheduling first rally for September 7), anti-nuclear declaration, and continued efforts to abolish military bases in Japan.

JSP's confrontation with ChiComs during Anti-A and H Bomb Conference (WEEKA 31, Item 5) met with little criticism even from anti-mainstream (partly because extreme leftist Heiwa Doshikai member Ichio ASUKATA had spearheaded JSP actions). SecGen EDA, however, did come under fire as having gone too far in "drift to right" and was challenged to admit that Upper House election represented defeat for party. While acknowledging election had not gone well, EDA said defeat is too strong a term and such an admission would be detrimental to Socialist cause. In general, however, EDA's policies of structural reform and positive neutrality in a context of moderation, calling for development of brand of Socialism suited to Japan's needs and not blindly patterned after Soviet or Chinese models, encountered no serious challenge at this session of Central Committee. (LIMITED OFFICIAL USE)

CONFIDENTIAL

CONFIDENTIAL

- 3 -

Comment: Central Committee, with heavy representation of prefectural members uninterested in ideological debate, is normally not setting for serious intra-party fights. If anti-mainstream intends challenge emphasis of JSP policies and attempt unseat current leadership, they would probably hold their fire till November convention; however, at present no all-out fight appears likely, though grumblings from party left may increase in volume.

Despite approval of mass opposition against Japan-ROK negotiations, Embassy is informed JSP still has not decided on dimensions of struggle it will wage and will probably continue feel out public attitudes on this issue before committing itself. (LIMITED OFFICIAL USE)

3. Japan-Korean Negotiations

On basis informal assurances by Korean side that ROKG prepared make another and more reasonable proposal on total size non-repayable Japanese financial settlement (WEEKA 35, Item 1), Japanese negotiators seeking approval FonMin OHIRA and PriMin IKEDA for new instructions raising initial offer of \$150 million. Since decision, which rests with top-level GOJ and LDP leaders, not reached by fourth round SUGI-PAE preliminary talks, September 3, both sides agreed to mark time with no further discussion either formula or total sum financial settlement. Japanese negotiators hope for decision on new instructions before departure FonMin September 15 to attend UNGA opening session and that instructions will provide sufficient flexibility to keep Sugi-Pae talks moving forward during period absence FonMin (September 15-October 7). (CONFIDENTIAL)

Comment: Although recent Japanese press speculation has stressed possibility negotiations may be shifted to political level if Sugi-Pae talks do not show substantial progress soon, both sides at moment seem agreed that political level talks feasible only if present discussions succeed in substantially narrowing gap on non-repayable component of financial settlement. (CONFIDENTIAL)

4. U-2 Incident

U-2 incident aroused concerned and critical Japanese reaction despite categorical announcements by Chief Cabinet Secretary KUROGANE and FonMin OHIRA that no U-2 planes are based in Japan. Japan Socialist Party (JSP) statement issued September 5 by International Bureau Chief WADA challenged US denials and demanded GOJ check whether U-2s actually based in Japan.

Asahi, Mainichi, and Yomiuri editorials were willing accept fact that no U-2s in Japan and prepared give US benefit of doubt that Sakhalin overflight was unintentional but questioned US wisdom in continuing spy flights at critical juncture in East-West relations and immediately prior UNGA. Moscow charge

CONFIDENTIAL

CONFIDENTIAL

- 4 -

September 6 that U-2 probably based on Japan reported low-key in press.  
(UNCLASSIFIED)

Comment: JSP will probably continue attempt exploit Japanese hypersensitivity to anything involving U-2 and may seek opportunity in Diet Committee to interpellate ForMin Ohira prior his departure September 15 for UNGA. Ohira, however, should have little difficulty fielding such interpellations so long as public convinced that plane came from neither Japan nor Okinawa. (LIMITED OFFICIAL USE)

MILITARY

Navy

5. Cholera Epidemic Restricts 7th Fleet Movements into Japanese Ports

Japanese health authorities' treatment of Okinawa as cholera contaminated area coupled with ten-day Japanese quarantine being imposed on ships arriving from cholera infested ports delayed landing of 2nd Bn, 9th Marines, 3rd Marine Division. Battalion, scheduled to land at Numazu September 4, for training at Fuji-McNair, was delayed ten hours and then permitted to land only after extensive negotiations between US and Japanese medical authorities.

USS Topeka, whose last port of call was Okinawa, also required make 24-hour layover before visit to Beppu originally scheduled September 7. (UNCLASSIFIED)

Comment: Current restrictions limit ability Commander 7th fleet disperse ships throughout Japanese ports and hamper essential training 3rd Marine Division unit. Ten day period imposed by Japanese is excessive by international health standards. (LIMITED OFFICIAL USE)

6. MSDF Aircraft Accident

On September 3 while on a mercy mission, carrying blood plasma and medical supplies, Maritime Self Defense Force P2V-7 aircraft crashed into a hillside near Nase City, Amami Oshima. Entire crew of 12 was killed, 21 houses were destroyed, and about 13 civilians were injured, one of whom later died.  
(UNCLASSIFIED)

Comment: This is second loss of P2V-7 type aircraft, both of them this year. Despite rigid standards for selection of plane commanders, it is believed that accident caused by pilot error and not engine failure as reported in press. (CONFIDENTIAL)

7. New Soviet Naval Attache Arrives

On September 2, RAdm Nikolai SCBOLEV arrived in Tokyo as replacement for

CONFIDENTIAL


AIRGRAM NO. A- 352

CONFIDENTIAL


- 5 -

Soviet Naval Attache RAdm Nikolay OUSPENSKY. RAdm Sobolev is reported to have spent several years in New York City. (UNCLASSIFIED)

Comment: RAdm Ouspensky has been attache for over three years so this appears routine replacement. (LIMITED OFFICIAL USE)


  
David L. Osborn  
First Secretary of Embassy

*Rcc*  
RCCollins:mjc  
TFShoesmith

  
POL:J. E. Osborn  
DEOsborn

NavAtt:LtColRBCrossman  
(Item 5)  
NavAtt:CdrRKJones  
(Items 6 and 7)

USIS:RPHarris  
NavAtt:LtColRBCrossman  
AirAtt:LtColRHGrubb  
ArmAtt:MajRHBeck

  
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DEPARTMENT OF STATE

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2

37 AIRGRAM

79400(W)/9-1462

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A-379

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PRIORITY

HANDLING INDICATOR

TO : DEPARTMENT OF STATE

INFO : LONDON \_\_\_\_\_, COMUS/J \_\_\_\_\_, CINCPAC \_\_\_\_\_,  
CINCPACFLT \_\_\_\_\_, CINCUSARPAC \_\_\_\_\_, CINCPACAF \_\_\_\_\_

Department Pass: CNO, SA, COMSAR, SECDEF, JSC, CIA

FROM : Amembassy TOKYO

DATE: September 14, 1962

SUBJECT: JOINT WEEKLY

REF :

1. Second Extraordinary Diet Session to be Convened
2. Japan-Korean Negotiations
3. GOJ Report on Okinawan Economic Development Requirements
4. Introduction of Nike-Ajax Missile Equipment
5. US Nuclear Tests
6. U-2 Shoot-Down over China Mainland
7. LDP Diet Members Leave for Communist China
8. GSDF Budget Request
9. ASDF Sergeant's Attempt to Fly ComChina Revealed
10. JDA Plans Institute 4-Star Rank

POLITICAL

1. Second Extraordinary Diet Session to be Convened

JSP September 12 submitted to Speaker of House formal request for holding extraordinary Diet session mid-October. Request, presented to Cabinet following day, must be honored (since it is signed by more than legally required one-fourth of House membership), but timing of session is up to GOJ. Cabinet inclined favor session in any case, mainly to consider report on coal policy now being completed by Coal Mine Investigation Council and take necessary legislative action. Other principal item of business would be implementation of National Personnel Authority recommendations for public employee wage hikes. Timing of session now being considered in Government and LDP, but delay in Coal Council report makes mid-October date requested by JSP impossible. If report ready in

FORM 4-62 DS-323

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See last page.

Clearances:

CONFIDENTIAL

Page 2 of  
Airgram A-379  
From TOKYO

time, session late October-early November possible, but LDP will probably prefer wait until latter part November after PriMin returns from Europe. (UNCLASSIFIED)

Comment: Session supposed to be short, but could be stormy, depending on content of coal report. Available information indicates recommendations will be unpalatable to labor, and this could well sour JSP attitude on whole range of items that may come up in debate. (LIMITED OFFICIAL USE)

## 2. Japan-Korean Negotiations

Since top-level GOJ decision on upward revision financial settlement offer still pending by September 6 (WEEKKA 36, Item 3), fifth-round SUGI-PAE talks scheduled for that day devoted to general discussion other matters with resumption talks on claims issue postponed until September 13 meeting. Although FonOff urged increase in GOJ initial offer \$150 million on non-repayable side, press has reported PriMin IKEDA reluctant approve increase without first obtaining some understanding re period over which payments would be made and ROKG plans for utilization funds. In light such reports, press speculated September 13 meeting unlikely make much progress. (UNCLASSIFIED)

Comment: PriMin's reluctance in part may reflect resistance within LDP to increase GOJ financial settlement offer but also evidently related his concern over-allsize Japan's foreign obligations. On basis present indications prospects do not appear promising for progress on financial settlement issue during absence FonMin OHIRA September 14-October 7. (CONFIDENTIAL)

## 3. GOJ Report on Okinawan Economic Development Requirements

FonMin OHIRA, in heavily publicized meeting with Ambassador on September 13, presented summary of report prepared by GOJ survey teams on economic development needs in Okinawa. Report made no direct comment on HICOM five-year plan but FonMin explained that details of HICOM plan had been taken into consideration in report's preparation. FonMin stated detailed study of amount and utilization GOJ aid for next Japanese fiscal year now under way but Japanese planning could not be completed until GOJ provided with final US plan either for five-year period or for US fiscal year 63. GOJ strongly hoped one or both would be available before end of month. Ohira also remarked that GOJ would wish "at appropriate time" to make suggestions relating to greater autonomy for GRI, but he agreed this would not be within framework forthcoming negotiations on Japanese economic assistance. (LIMITED OFFICIAL USE)

Comment: GOJ undoubtedly planned meeting with Ambassador to maintain public impression of progress in establishment cooperative relationship between US and Japan in connection Okinawa. From inconclusive nature of Japanese report it would appear GOJ has not yet reached firm conclusions on amount of aid it wishes provide next year and will not do so until US plans for USFY 63 are complete. (LIMITED OFFICIAL USE)

CONFIDENTIAL

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Page 3 of  
Airgram A-379  
From TOKYO

#### 4. Introduction of Nike-Ajax Missile Equipment

Despite opposition by JCP, JSP, and local labor organizations, Japan Defense Agency last week successfully moved initial shipment of equipment (92 missiles) for Japan's first Nike-Ajax surface-to-air missile battalion, provided under Military Assistance Program, from Yokohama North Pier to Ground Self-Defense Force receiving depots, following brief skirmish between railway security guards and about 80 union demonstrators.

Second shipment equipment arrived at Oppama ammo facility September 11 and was moved to receiving depots without incident. Remainder equipment scheduled arrive approximately one shipment per week through early December, with final shipments in January and February. (CONFIDENTIAL)

Comment: While JDA expected stiffer opposition and was prepared use SDF to move missile components by water, this potentially controversial action was unnecessary. Leftists will probably continue moderate opposition at battery sites and JSP may interpellate GOJ in Diet, but this does not appear likely generate widespread public involvement. (CONFIDENTIAL)

#### 5. US Nuclear Tests

US announcement re further shots in Pacific test series met with extremely low key Japanese reaction except for statements by opposition parties deploring impact on ban negotiations. Only one paper gave top play to story and there have been no editorials or press commentaries; only Asahi column dealt with issue. (UNCLASSIFIED)

Comment: While basic Japanese attitudes on nuclear testing have not changed, public's hypersensitivity to developments has been somewhat dulled as result repeated testing by both US and USSR and prolonged fruitless disarmament negotiations. These factors, plus continuing Soviet tests and friction within leftist ranks (WEEKA 33, Item 4) on nuclear question inhibit opposition efforts exploit US announcement at this time. Situation could change with dramatic accident or leftist frontal attack on other issue (such as Japan-ROK talks, Item 2) which would lead to attempts to mobilize public sentiment on all exploitable foreign policy issues, including nuclear tests. (LIMITED OFFICIAL USE)

#### 6. U-2 Shoot-Down over China Mainland

Japanese sensitivity to U-2 overflight of Sakhalin (WEEKA 36, Item 4) was sharpened by shoot-down of GRC U-2 over China mainland, although on balance reaction was not as adverse as might have been predicted. Media focused on inconsistencies of US policies in permitting GRC to use U-2 for presumed joint intelligence purposes at time when US claims to be tightening control over flights. No other paper went as far as Yomiuri editorial September 11 which took view that it was natural for Peiping to accuse US of provocation, but

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Page 4 of  
Airgram A-379  
From TOKYO

most papers demanded either immediate cessation of spy flights or restudy of U-2 modus operandi. While continuing deny that U-2s based on Japan and discounting Soviet threats of "retaliation", commentaries reflected growing uneasiness over Japan's involvement in crisis, with Mainichi column stating that outbreak of war in Taiwan Straits could drag Japan into conflict. (LIMITED OFFICIAL USE)

Comment: Reaction will probably taper off barring further incidents. While Communist Akahata has tried to keep issue alive and exploit U-2 for anti-bases campaign, Socialist Party has thus far refrained from going all-out in attempting whip up feeling against U-2. (LIMITED OFFICIAL USE)

#### 7. LDP Diet Members Leave for Communist China

Kenzo MATSUMURA, a senior member of LDP and long-time proponent of closer relations with ComChina, departed for Peiping September 12 at invitation CHOU En-lai and CHEN I. Matsumura was accompanied by four LDP Diet Members (four were also with him on last visit to mainland in 1959) and seven press reporters. Purpose of trip, according Matsumura, is to explore possibilities for expanding cultural and economic exchange in hope of contributing to normalization Japan-ChiCom relations. Matsumura may be followed later by trade delegation under Tatsunosuke TAKASAKI who also received invitation from ChiComs. Prior departure, Matsumura saw PriMin IKEDA and FonMin OHIRA, both of whom reiterated policy of striving to increase trade with ComChina but only on private basis and with no political strings attached. (UNCLASSIFIED)

Comment: Matsumura has long sought opportunity visit Peiping and his departure at this time does not signal change in GOJ policy toward ComChina. GOJ, however, will follow Matsumura's visit with close attention. Crucial question will be whether ChiComs prepared drop political conditions to trade. If so, some increase in Japanese fertilizer and steel sales to mainland can be expected. (CONFIDENTIAL)

### MILITARY

#### Army

#### 8. GSDF Budget Request

Japan Ground Self Defense Force portion of fiscal year 1963 defense budget submitted Finance Ministry for deliberation and negotiation September 13. Request totals ¥89,644 million (\$249 million) as compared ¥79,513 million (\$220.8 million) approved for this fiscal year. Request includes funds necessary increase uniformed strength to 86 per cent of 171,500 authorized; procure armored vehicles, helicopters, other hard items already approved as part second 5-year Defense Buildup Program (WEEKA 29, 1961); readjust administrative and logistical support units necessitated by 13-division reorganization program (WEEKA 33, 1962); preparations receive Hawk missile Bn to be

CONFIDENTIAL

CONFIDENTIAL

Page 5 of  
Airgram A-379  
From TOKYO

activated JFY 1964; efforts increase prestige and benefits of military service.  
(UNCLASSIFIED)

Comment: Finance Ministry version will probably be reduced to approximately \$235 million. Since initial request reduced to "essential minimum" however, GSDF will not be able fully attain goals set by government-approved 2nd defense buildup plan. If requested buildup to 86 per cent authorized strength approved, it could increase actual strength by some 4,500 sorely needed men. Fact Nike not mentioned seems indicate question operational control still not decided.  
(LIMITED OFFICIAL USE)

AIR

9. ASDF Sergeant's Attempt to Fly ComChina Revealed

September 10 Sendai court hearing revealed that on June 24 Air Self Defense Force maintenance sergeant, Akihiro TAKAHASHI, 26, unsuccessfully attempted to take off in T-33 jet trainer from Matsushima Air Base, in purported attempt fly to his birthplace in Harbin. Immediately after crackup, he attempted suicide. Defense Agency said his motives were not political or ideological.

Press criticized Defense Agency concealment of incident more than two and a half months, inferring delay due to fear it might affect election prospects of Minoru GENDA, former Chief of Air Staff. (UNCLASSIFIED)

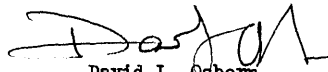
Comment: None.

NAVY

10. JDA Plans Institute 4-Star Rank

Defense Agency plan institute 4-star rank for top officers was announced September 12. Present SDF top rank is Vice Admiral/LIEN. JDA DirGen SHIGA hopes to have plan in final form early next week with necessary legislation ready for next regular Diet session. (UNCLASSIFIED)

Comment: While JMSDF publications give VADM NAKAYAMA, Chief of Maritime Staff, title of Admiral, and US affords him courtesies of Admiral rank, his actual rank and pay is VADM. Creation of 4-star rank appears to be latest in series of moves by DirGen SHIGA to increase JSDF's prestige. (OFFICIAL USE ONLY)

  
David L. Osborn  
First Secretary of Embassy

*Rec*  
RCCollins:dmg  
DLOsborn  
TFShoesmith  
JSSutterlin  
CABorg

POL:JGoodyear

NavAtt:LtColRBCrossman  
AirAtt:MaJAFerwin  
USIS:IIzenberg

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A-406

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PRIORITY

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TO : DEPARTMENT OF STATE

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 INFO: LONDON \_\_\_\_\_, COMUS/J \_\_\_\_\_, CINCPAC \_\_\_\_\_,  
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Department Pass: CNO, SA, COPSAF, SECDEF, JSC, CIA

FROM : AmEmbassy TOKYO

DATE: September 21, 1962

SUBJECT: JOINT WEEKA 38

REF :

CONTENTS

1. Matsumura Peiping Visit
2. Freshmen Socialist Diet Members to Visit Peiping
3. Japan-Korean Relations
4. Soviet 85-Voice Choir Arrives in Japan

POLITICAL1. Matsumura Peiping Visit

Kenzo MATSUMURA, prominent LDP member of Lower House, departed for Peiping September 12 at CHOU En-lai's invitation on "personal visit" (WEEKA 37, Item 7). Visit, which had government approval, received headline attention with major papers running stories from correspondents accompanying Matsumura.

Initial reaction local official and political spokesmen to Chou and CHEN Yi statements was generally optimistic. Many expressed belief that for economic or other reasons CPR de-emphasizing interdependence of politics and economics (despite ChiCom explicit reiteration of "3 principles of politics and trade") and that CPR had virtually adopted GOJ position that there could be trade and cultural exchange while respecting each other's political positions. Some quarters, however, warned against ChiCom attempt to drive wedge between Japan and US, with others noting that CPR's real attitudes will be revealed only in

FORM 4-62 DS-323

CONFIDENTIAL

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See last page

Contents and Classification Approved by:

Clearances:

CONFIDENTIAL

- 2 -

future developments. Also sober comment by some businessmen that basic obstacles to significant expansion trade have yet be removed. (UNCLASSIFIED)

Comment: General tone of Japanese reporting from Peiping highly optimistic over possibilities resumption Sino-Japanese trade. Public opinion forces GOJ and political leaders adopt relatively optimistic attitude, but both GOJ and businessmen aware difficulties facing any large-scale resumption trade and probably suspect CPR still may place unacceptable conditions on expansion economic ties. On other hand, JSP evidently embarrassed by apparent success LDP having in promoting long-time JSP objective and probably annoyed with ChiComs for taking apparently softer line toward conservatives than toward JSP. (CONFIDENTIAL)

2. Freshmen Socialist Diet Members to Visit Peiping

Nine first-term JSP Lower House Diet members, headed by Toyojiro FUJIWARA, departing September 26 for one-month tour Communist China, including attendance Peiping's October 1 celebrations. Invitation extended directly to first-termers and not routed through JSP headquarters which has insisted group travel as individuals not party representatives and issue no "joint statements." Original invitation extended to 26 Dietmen, but JSP leaders also have stipulated this will be only group to make trip.

JSP source has informed Embassy that no invitations to October 1 celebrations received by party headquarters or other individual Diet members and that no Diet members or prominent local leaders will attend as representatives such other groups as Japan-China Friendship Association (JCFA). Sohyo also has not been invited send representatives. (OFFICIAL USE ONLY)

Comment: Although invitations not extended last year directly to JSP and Sohyo, several JSP Dietmen attended October 1 celebrations as members JCFA. Fact that Peiping this year apparently has not expressed desire have prominent JSP and Sohyo representation probably reflection of continuing ChiCom pique with opposition stand taken by both organizations during 8th World Conference Against A and H-Bombs (WEEKA 32, Item 2). May also be related to apparent ChiCom decision improve relations with Japanese conservatives (Item 1). (OFFICIAL USE ONLY)

3. Japan-Korean Relations

Prior FonMin's departure for New York, PriMin approved on September 12, increase GOJ financial settlement offer from \$150 million to \$200 million on non-repayable side provided ROK comes down to reasonable figure (WEEKA 37, Item 2). This decision not yet disclosed to ROK. During PAE-SUGI meeting September 13, Japanese side indicated informally that it prepared go to \$170 million if ROK

CONFIDENTIAL

CONFIDENTIAL

- 3 -

would come down to \$500 million, but no new formal proposals made on claims issue. GOJ accepted ROK proposal open discussion fisheries and legal status Korean residents in Japan and technical discussions these issues to begin week September 24. ROK Mission Counsellor CHOE visited Seoul after meeting, returning for September 20 session. Japanese press generally applauded PAK September 15 statement as indicating positive Korean attitude toward talks. (CONFIDENTIAL)

Comment: Choe consultation in Seoul presumably to determine ROK position on how far to compromise on **figures**. Any increase in GOJ figure above \$200 million probably must await OHIRA's return. Even assuming agreement on financial settlement, both sides anticipate solution other issues will prove difficult and time consuming. (CONFIDENTIAL)

CULTURAL

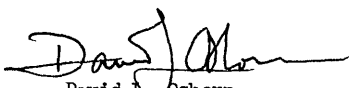
4. Soviet 85-Voice Choir Arrives in Japan

An 85-voice mixed chorus of Soviet National Academy arrived Monday at Yokohama aboard Ordjonikidze which also carried new Soviet Ambassador to Japan. Series 25 concerts commenced September 19 at Tokyo's Koseinenkin Hall with audience of 2000, according Asahi Shimbun which sponsoring tour. After Tokyo, chorus will travel to Osaka, Nagoya, Fukuoka, Yawata, Hiroshima, Sapporo, Yokohama, Toyama, Niigata, Sendai, Aomori, Shizuoka, Wakayama, Kyoto, Kobe, Ube and Oita. In addition Russian songs, program includes several traditional Japanese folk songs. (UNCLASSIFIED)

Comment: This is a major Soviet cultural attraction for 1962 and is likely draw good audiences because of popularity choral music in Japan. (UNCLASSIFIED)

MILITARY

Negative.

  
David L. Osborn  
First Secretary of Embassy

TPShoesmith:mjc  
JMFarrior

POL:DLOsborn

USIS:IIzwnberg  
(Item 4)

USIS:IIzenberg  
NavAtt:LtColRBCrossman  
NavAtt:LCdrRLBeavers  
AirAtt:CaptJCBenedict

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2		
ARA	EUR	FE
	5	4
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A-433

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PRIORITY

HANDLING INDICATOR

TO : DEPARTMENT OF STATE

INFO : LONDON, COMUS/J, CINCPAC  
CINCPACFLT, CINCUSARPAC, CINCPACAF

Department Pass: CNO, SA, COFSAF, SECDEF, JSC, CIA

FROM : AmEmbassy TOKYO

DATE: September 28, 1962

SUBJECT: JOINT WEEKA 39

REF :

## CONTENTS

1. Results MATSUMURA Visit Discussed
2. JSP Convention Set
3. Coal Mine Investigation Team Readies Report on Findings
4. Japan-Korean Relations
5. Arrival of New Soviet Ambassador

## POLITICAL

### 1. Results MATSUMURA Visit Discussed

Kenzo Matsumura returned from Peiping September 25 and subsequently has conferred with PriMin IKEDA, MITI Minister FUKUDA, FonMin and other officials (WEEKA 38, Item 1). He told press that although Chinese re-asserted principle that politics should not be separated from economics, ChiCom attitude toward Japan has become more flexible. He also commented that ChiCom economy not as bad as reported and that he received no impression Chinese suffering from serious poverty. Matsumura reportedly recommended to PriMin that GOJ adopt flexible policy and take positive measures improve relations between two countries.

Meanwhile, talks by Tatunosuke TAKASAKI with government and business leaders going on preparatory his follow-up Peiping visit mid-October. Press reports government studying two principal questions re Takasaki visit: (1) terms of deferred payments and (2) formation new trade agency. (UNCLASSIFIED)

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See last page

Contents and Classification Approved by:

Clearances:

FORM 4-62 DS-323

CONFIDENTIAL

- 2 -

Comment: Although there considerable skepticism at ForOff working level that Matsumura-Takasaki efforts will produce significant results, all concerned seem willing test ChiCom intentions. Most business and government leaders adopting public posture of optimism that substantial volume trade can be achieved. (CONFIDENTIAL)

2. JSP Convention Set

Annual JSP national convention now scheduled for Nov. 27-30. Preliminary skirmishing over election top officials already underway with recently reported decision Masaburo SUZUKI and Kozo SASAKI factions to cooperate in fielding candidates for all major party posts, with ouster SecGen EDA as prime objective. Suzuki-Sasaki group charging party has failed assume "fighting posture" on such issues as coal industry policy and blocking ROK-GOJ talks as result "rightist mood" present party leadership. (UNCLASSIFIED)

Comment: Left-wing attack on moderate posture assumed by JSP under Eda leadership past year is expected at convention. Not yet certain whether Sasaki, overwhelmingly defeated at 1961 convention, again will challenge Eda for SecGen post. Whoever opposition candidates, mainstream Eda-WADA-KAWAKAMI combination confident Kawakami and Eda will be re-elected without serious difficulty. (UNCLASSIFIED)

3. Coal Mine Investigation Team Readies Report on Findings

Government-appointed impartial Coal Mine Investigation Team under chairmanship Prof. ARISAWA, which has been making on-the-spot investigation of coal industry for past half year (WEEKA 14, Item 2), scheduled submit findings and recommendations to GOJ October 4. Sufficient information concerning probable recommendations has leaked from Investigation Team to justify apprehensions Tanro, Sohyo, and JSP that report will recommend discharge approximately 60,000-100,000 workers spread over several years. Unions and JSP opposing dismissals unless GOJ absolutely guarantees reemployment under equivalent working conditions and wages. Scheduled special conventions Tanro (October) and Sohyo (November) will be largely concerned with coal policy issue, which will also feature/discussions at JSP annual convention (Item 2).

Crux coal problem is obtaining guarantee from major consumers for future purchase fixed amount coal at prices roughly competitive with petroleum. Power, steel, and several other industries reportedly have agreed consume sufficient coal to maintain industry at level of 55,000,000 tons output annually. Team's findings believed include recommendation that productive mines be expanded to take up slack from unproductive mines which would be closed, but modernization of mines probably will entail large-scale dismissals. (UNCLASSIFIED)

Comment: Generally expected that coal policy question will be one of major politico-economic issues during coming fall and winter. Legislation, based on team's recommendations, not expected be submitted to Diet before December and

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- 3 -

active Diet consideration unlikely before spring 1963. This will allow unions and JSP ample time launch major campaign on behalf miners. However, Sohyo President OTA's threat to mount "general strike" to protest anticipated recommendations of Investigation Team is being discounted even by other Sohyo officials, at least for 1962. (OFFICIAL USE ONLY)

4. Japan-Korean Relations

Last two meetings between ROK Chief Delegate FAE and Japanese Chief Delegate SUGI made no progress beyond agreement take up questions of fisheries and legal status Korean residents in meetings beginning Oct. 2. Japanese so far have not formally gone above their offer of \$150 million in grants (WEEKA 38, Item 2) and appear be waiting for ROK reduce its figure before making new offer. ROK CIA Chief KIM Chong Pil, scheduled visit Japan for Moral Rearmament meeting, expected discuss claims issue with PriMin IKEDA about Oct. 20. (CONFIDENTIAL)

Comment: Both sides appear willing await arrival Kim before renewing meaningful discussion claims question, although there possibility Japanese negotiators will raise ante somewhat after PriMin OHIRA's return from Europe Oct. 7. (CONFIDENTIAL)

5. Arrival of New Soviet Ambassador


New Sov Ambassador, 41-year old trade expert Vladimir Mikhailovich VINOGRADOV, arrived Japan Sept. 17 via Sov liner from Nahodka to assume post vacated last July by Nicolai T. FEDORENKO. During initial press conference he appears have made favorable impression on reporters but arrival received only moderate attention in press and no editorial comment. Shortly after arrival he called on PriMin IKEDA (as acting ForMin), but conversation reportedly not of substantive nature. (UNCLASSIFIED)

Comment: Vinogradov's arrival widely associated with intensified Sov drive for greater trade with Japan. GOJ expects him push trade ties forcefully and play leading role in forthcoming negotiations on new Japan-Soviet trade pact. Remarks attributed to several Sov Embassy officers imply previous ambassador was recalled because of dissatisfaction in Moscow over declining Sov influence in Japan relative that of US. (CONFIDENTIAL)

MILITARY

Negative.

For the Ambassador:

  
David J. Osborn

First Secretary of Embassy

TPShoesmith:mjc  
JSSutterlin  
JMFarrior

LabAtt:UAStraus  
(Item 3)

USIS:IIzenberg  
NavAtt:LCdrRLBeavers  
ArmAtt:MajRHBeck  
ArmAtt:MajLRHillman

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